

Adopted at Meeting of 7/ 31/69

RESOLUTION

AUTHORIZING THE SALE, ISSUANCE AND
DELIVERY OF PROJECT NOTES AND THE EXECUTION
OF REQUISITION AGREEMENTS

WHEREAS, the Boston Redevelopment Authority (herein called the "Local Issuing Agency") is undertaking the development and/or operation of one or more urban renewal, low-rent housing or redevelopment projects and may engage in such undertakings in respect to additional projects all pursuant to the terms of one or more contracts (which contracts and any contract in substitution thereof, together with any supplements thereto or amendments or waivers of any provisions thereof, are herein called the "Contract") with the United States of America (herein called the "Government") providing for a loan by the Government to the Local Issuing Agency for financing the urban renewal, low-rent housing or redevelopment project(s) described in the Contract and herein called the "Project"; and

WHEREAS, the Local Issuing Agency proposes to obtain loans from others than the Government in anticipation of the delivery of notes to the Government, which loans shall be evidenced by negotiable short-term notes of the Local Issuing Agency (herein called "Project Notes"); and

WHEREAS, The Local Issuing Agency proposes to issue Project Notes as hereinafter provided:

NOW, THEREFORE, BE IT RESOLVED by the Local Issuing Agency as follows:

Section 1. For the purpose of providing funds to pay expenses incurred or to be incurred pursuant to the Contract or to refund, renew or extend its outstanding Notes issued in connection therewith, the Local Issuing Agency hereby determines to issue its Project Notes for purchase by the public from time to time in amounts which shall not exceed the aggregate loan amount or the Actual Development Cost specified in the Contract, as the case may be. Such Project Notes shall be in such principal amounts, bear such interest rates, be dated and mature, all as prescribed in this Resolution.

Chairman, Vice Chairman

Section 2. a. The or Treasurer is hereby authorized and directed to advertise from time to time the public sale of Project Notes of the Local Issuing Agency by causing the publication of a Notice of Sale thereof in a newspaper pursuant to State Law, if required, and in The Daily Bond Buyer, a financial newspaper published in the City of New York, New York. The Notice of Sale for publication locally shall be substantially in the form of HUD-9001, which is incorporated herein by reference. The Notice of Sale to be published in the Daily Bond Buyer may be included in a consolidated Notice of Sale. Each Notice of Sale shall be published at intervals in accordance with a schedule of advertising arranged in cooperation with the Government. Each separate issue of Project Notes advertised for sale shall be numbered in consecutive series. *

b. Each proposal submitted for all or a part of any series of Project Notes shall be in substantially the form of HUD-9002, which is incorporated herein by reference, and is hereby approved by the Local Issuing Agency.

Chairman, Vice Chairman

Section 3. a. The or Treasurer is hereby authorized and directed on each date specified in a duly published advertisement of the Notice of Sale for a series of Project Notes and at the time and place mentioned therein to receive, open and review all proposals received for the purchase of Project Notes. Upon completion of the review, the contents of all proposals shall be communicated by telephone to the Government with a recommendation for award.

Chairman, Vice Chairman

b. The or Treasurer after receiving Government approval of a recommended award is hereby authorized and directed on behalf of the Local Issuing Agency to award the Project Notes at the lowest interest rate or rates not in excess of the percentage rate per annum specified in the Contract or under State Law offered in the proposals without reference to premiums; Provided however, that as among proposals specifying the same lowest interest rate, awards shall be made on the basis of the highest premium per dollar principal amount of the Notes specified in such proposals. The Chairman, Vice Chairman or Treasurer shall promptly notify each successful bidder by telegram of the principal amount of Project Notes so awarded to such bidder.

* Any advertisement of the public sale of Project Notes appearing in the July 29, 1969 issue of the Daily Bond Buyer is hereby ratified, affirmed and approved.

Section 4. Each of the Project Notes of the Local Issuing Agency shall be in substantially the form of HUD-9010, which is incorporated herein by reference. Each series of Project Notes shall bear a date not later than the date on which they are to be delivered to the purchaser and shall mature within a term of not to exceed 18 months from their date. Each series of Project Notes shall bear interest at the rate or rates per annum fixed in the proposal or proposals accepted for the purchase of such Notes, shall be issued in such denominations, and both principal and interest thereof shall be payable at such incorporated bank having trust powers or incorporated trust company as the purchaser designates in his proposal, and shall be secured by a "Requisition Agreement" in substantially the form of HUD-9003, which is incorporated herein by reference, to be entered into between the Local Issuing Agency and the Government.

Section 5. Each of the Project Notes issued in a series which has been awarded shall be executed in the name of the Local Issuing Agency by the manual or facsimile signature of the Chairman, Vice Chairman, Secretary or Assistant Secretary or Treasurer and the Secretary is authorized and directed to date and to cause the seal of the Local Issuing Agency to be impressed, imprinted or reproduced thereon and to attest such sealing, and the aforesaid officers shall take all other actions necessary to complete delivery of any Project Notes which have been awarded.

Section 6. Each Requisition Agreement securing one or more series of Project Notes shall be executed in the name of the Local Issuing Agency by the manual or facsimile signature of the Chairman, Vice Chairman, Secretary or Assistant Secretary or Treasurer and the Secretary is authorized and directed to cause the seal of the Local Issuing Agency to be impressed, imprinted or reproduced thereon and to attest the same.

Section 7. The Chairman, Vice Chairman or Treasurer is authorized and directed to deliver the Project Notes by signing and promptly sending after acceptance of each proposal a letter to each paying agent for such Project Notes in substantially the form of HUD-9004, which is incorporated herein by reference, and to transmit therewith (a) the Project Notes for which the addressee is the paying agent for delivery and payment and (b) a signature certificate and receipt, in accordance with the terms of the letter, and to take such other actions as may be required to complete the delivery transaction in accordance with the terms of the letter to the paying agent.

Section 8. The Chairman, Vice Chairman or Treasurer are authorized to take all actions as may be required to validate and complete delivery of the Project Notes herein authorized to be issued from time to time.

Section 9. For the punctual payment of the principal of and interest on each series of Project Notes, the Local Issuing Agency expressly and irrevocably promises to pay any sums which may be received from the Government pursuant to the Requisition Agreement relating to such series of Project Notes and each such Requisition Agreement when executed by the Government is declared to be and is hereby assigned by the Local Issuing Agency for the benefit of the holder or holders from time to time of such series of Project Notes. Contributions, funds and amounts authorized or required by the Contract to be applied to the payment of Project Loan Notes (referred to in the Contract as "Project Temporary Loan Obligations," "Advance Notes" or "Permanent Notes") as issued in connection with the Project are irrevocably pledged to secure the payment of the principal of and interest to maturity on each series of Project Notes. Such pledge and the lien created thereby shall cease and terminate as to any series of Project Notes when monies or investment securities convertible into cash not later than the maturity date of such Notes, sufficient and for the purpose of paying the principal and interest to maturity on such Notes, are deposited with the paying agent or agents for such Notes.

Section 10. The Chairman, Vice Chairman or Treasurer is authorized and directed to pay (a) to the Government such amount of such funds of the Local Issuing Agency as may be available for such purpose and as may be necessary to pay the principal of and interest on obligations of the Local Issuing Agency then held by the Government which may be refunded in part by any one or more series of Project Notes and (b) to the paying agent or agents of any then outstanding series of Project Notes, or to the Government for transmittal to said paying agent or agents, such amount of funds of the Local Issuing Agency as may be available for such purpose and as may be necessary to pay the principal of and interest on such Project Notes which are refunded in part by succeeding issues of Project Notes.

Section 11. The Local Issuing Agency hereby covenants with the holders from time to time of any Project Notes issued under this resolution that it will not amend this resolution in any way which would limit or alter the rights of such holders under Section 9 hereof or otherwise impair the rights and remedies of such holders until such Project Notes, together with interest thereon, and all costs, expenses and damages in connection with any action or proceedings by or on behalf of such holders are fully met and discharged.

Section 12. This Resolution shall take effect immediately.

MEMORANDUM

JULY 31, 1969

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: HALE CHAMPION, DIRECTOR

SUBJECT: FINANCING

SUMMARY Conversion to New System of Private Market and
Direct Loan Financing

Effective March, 1969, the Department of Housing and Urban Development put into practice a new system of private market and direct loan financing. The issuance of a Project Temporary Loan Note each time for a private market transaction or direct loan from the Federal Government is made will be discontinued. In lieu thereof, a new single note, the "Project Loan Note" will be delivered to the Government for each project in the amount of the loan provided in the loan and capital grant contract. All loans, either through the private market sale of notes or direct loans from the Government will be indorsed on the back of the Project Loan Note, along with all loan repayments.

In order to convert to this new system, it is necessary to adopt a new "Basic Note Resolution" (Form HUD-9101A) and a new "Master Resolution" (Form HUD-9000).

Copies of both Resolution are attached hereto for your consideration.

